

February 5, 2018

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution authorizing execution of a grant agreement (and supplements if necessary) with the Transportation Improvement Board (TIB) to accept up to \$5,950,200 in state funding to support construction of roadway improvements on NE Spring Boulevard (Zone 2) from 120th Avenue NE to 124th Avenue NE (CIP Plan No. PW-R-173).

FISCAL IMPACT

Executing the grant agreement will provide, on a reimbursable basis, up to \$5,950,200 in state funding to support the construction phase of the NE Spring Boulevard (Zone 2) from 120th Avenue NE to 124th Avenue NE project (CIP Plan No. PW-R-173). There is no amendment to the project budget or fund appropriation associated with this action.

This project is primarily funded by a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan which provides sufficient funding to fulfill the matching fund requirement for the grant and to complete construction of the project. The addition of the \$5,950,200 in grant funding will provide over half of the funding for the estimated construction phase costs of the project that will not require repayment, as would be the case with funding provided by the TIFIA loan.

Staff will be evaluating options that best leverage and provide the City flexibility in managing any potential cost changes associated with the remaining four projects funded by the TIFIA loan.

STAFF CONTACTS

David Berg, Director, 452-6468

Eric Miller, Implementation Planning Manager, 452-6146

Mia Waters, Grant Program Manager, 452-4859

Transportation Department

POLICY CONSIDERATION

Comprehensive Plan:

TR-131 directs that the City, "Seek state and federal funds for transportation capital, maintenance and operations."

BACKGROUND

The NE Spring Boulevard (Zone 2) project will complete design and construction of a new arterial street connection between 120th and 124th Avenues NE. A full CIP project description is included in an attachment to this memo. The project will be implemented in coordination with Sound Transit's East Link light rail project, including a planned station in the vicinity of 120th Avenue NE, with private development, and the development of NE Spring Boulevard (Zone 1) – 116th to 120th Avenues NE (CIP Plan No. PW-R-172) to the west.

In mid-2017 the NE Spring Boulevard (Zone 2) – 120th to 124th Avenue NE project was submitted to the 2017 State TIB grant competition requesting \$5,950,200 in construction funds. The project ranked highly and in late November 2017 was formally awarded the requested funding.

Currently, construction of this project is fully supported by Federal TIFIA loan funds as approved on July 17, 2017 (Ordinance No. 6362). The addition of the \$5,950,200 in grant funding will provide over half of the funding for the estimated construction phase costs of the project that will not require repayment, as would be the case with funding provided by the TIFIA loan.

Currently, the project design phase is nearing completion and the City is coordinating the acquisition of right-of-way necessary for the project. Construction is anticipated to begin in mid-to-late 2018.

EFFECTIVE DATE

If approved, this Resolution becomes effective immediately upon Council adoption.

OPTIONS

1. Adopt the Resolution authorizing execution of a grant agreement (and supplements if necessary) with the Transportation Improvement Board (TIB) to accept up to \$5,950,200 in state funding to support construction of roadway improvements on NE Spring Boulevard (Zone 2) from 120th Avenue NE to 124th Avenue NE (CIP Plan No. PW-R-173).
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1

MOTION

Move to adopt Resolution No. 9362 authorizing execution of a grant agreement (and supplements if necessary) with the Transportation Improvement Board (TIB) to accept up to \$5,950,200 in state funding to support construction of roadway improvements on NE Spring Boulevard (Zone 2) from 120th Avenue NE to 124th Avenue NE (CIP Plan No. PW-R-173).

ATTACHMENTS

- A. Vicinity Map
 - B. CIP Project Description (PW-R-173)
- Proposed Resolution No. 9362

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

Draft TIB Fuel Tax Grant Agreement